# IAF CONNECTIONS



The Latest News from the Inter-American Foundation

June - December 2001



In the News

#### PRESIDENT'S MESSAGE

I am very proud to announce the start of a quarterly Inter-American Foundation (IAF) electronic newsletter, IAF Connections, that will keep friends and grantees of the IAF informed of our activities and the special achievements of our grantees. This inaugural issue of the newsletter is being launched almost simultaneously with our redesigned Web site (www.iaf.gov), which we hope will greatly facilitate access to IAF publications, grants, special studies and publications, the *Grassroots Development* journal, as well as contact with staff and information on grant application. We welcome and would appreciate receiving your feedback and comments on the newsletter and the Web site.

The IAF is making a conscious effort to increase the dissemination of its experiences and learning from its support for creative and innovative approaches to poverty reduction through participation and self-help efforts, and the building of cross sector partnerships among community and nongovernmental organizations, businesses and local governments. Having supported more than 4,300 grassroots and nonprofit organizations over a 30 year period, the IAF continues to seek new ideas from its grantees that result in sustainable improvements in the quality of life, while building trust, cooperation and democratic practice in the countries of Latin America and the Caribbean. David Valenzuela •

#### DHL-HAITI AND IAF SWEETEN HONEY PRODUCTION

Fondation La Ruche (FLR), a 1998 IAF grantee, has successfully brought DHL, the express delivery services giant, into its social investment partnership with IAF. DHL International Haiti S.A, through Save A Country, a Haiti-based philanthropic organization, has committed \$10,000 toward a reforestation and apiculture project involving 50 Haitian women from La Montagne, a commune of the village of Jacmel located 60 miles from Port Au Prince, Haiti's capital. The partnership project works to advance FLR's goal of sustainable local development in southern Haiti.

Since receiving the initial disbursement in May, project participants, selected from among the members of Famm Vayan, or Brave Women, a local grassroots organization, have adhered to a strict schedule, setting up hives on a portion of their land and even publishing a training manual. In addition to beekeeping skills, they will learn to market the honey they produce and will receive credit counseling, according to Jessie Nicolas, manager of DHL-Haiti and Save A Country's founder. The 7,000 fruit trees they plant will not only support this new source of income from honey production but will also improve the surrounding environment.

"DHL is pleased to support this project and considers the benefits to be in line with its commitment to social investment in Haiti," said Nicolas. "I hope DHL 's commitment will have a positive and durable impact. Sustainable job and wealth creation means a better economy for the country and more business for the company." •

#### IN THIS EDITION

- ▶ IAF In the News Pg 1
- ► In the Field... Pg 3
- ► In the Works... Pg 2
- ▶ New Faces... Pg 4 & 5
- Upcoming Events.. Pg 5
- ▶ In Brief... Pg 6

#### IAF GRANTEE TAKES WEB AWARD

Brazil's Top Cadê award for the best Web site dealing with the topic of society went to Vale Cidadania, a program supported by the Inter-American Foundation (IAF) in partnership with Brazil's Fundação Acesita (Acesita Foundation), the philanthropic arm of Acesita S.A., a steel manufacturing conglomerate, and the Banco Nacional de Desenvolvimento Econômico e Social.

Operating in metropolitan Vale do Aço, a steel-producing area in the state of Minas Gerais, Vale Cidadania functions as a social action network to improve conditions for 14,000 low-income, at-risk children and adults. With a three-year grant for \$297,226, IAF has built Vale Cidadania's capacity to assist community base groups.

The award-winning Web site at <a href="www.valecidadania.org.br">www.valecidadania.org.br</a> provides access to information on the organization's 42 member entities, services available and its agenda, as well as to news and links. For more information on Top Cadê: Os destaques da Internet (notable Brazilian Web sites), please view: <a href="www.topcade.com.br">www.topcade.com.br</a>.

Acesita S.A. founded Fundação Acesita in 1994 for the purpose of protecting the environment and contributing to social and economic development. The Brazilian foundation is the beneficiary of a corporation whose 12 subsidiaries in Brazil and Argentina reported exports to more than 40 countries and revenues of \$342 million in 2000. •

#### IAF FIRST: LATIN, CARIBBEAN CONTRACTORS MEETING

In December, for the first time in its 32- year history, the Inter-American Foundation brought all of its overseas contractors together with U.S. staff in Arlington for a four-day conference on maximizing support for IAF's grantees throughout the hemisphere. IAF-contracted data verifiers, local liaisons and auditors from more than 15 Latin American countries were present. ��

## INTER-AMERICAN GRASSROOTS DEMOCRACY CONFERENCE

More than 250 international affairs professionals heard experts from Latin America, the Caribbean and the United States explore the challenges and opportunities of decentralization at the all-day forum "Building Democracy from the Grassroots" sponsored by the Inter-American Foundation and the Organization of American States July 16 in the OAS Hall of the Americas.

Four panels discussed the sweeping changes throughout the Caribbean and Central and South America that had prompted the forum. In recent years, the region's democracies have begun to transfer public resources and functions from central bureaucracies to municipalities. According to Bolivia's Minister of Sustainable Development and Planning Ronald MacLean-Abaroa, a conference panelist, his country's fiscal allocation to municipalities has, for example, grown to 3 percent of the gross domestic product and an increase to 12 percent is projected.

Throughout the hemisphere, municipalities will be expected not only to deliver basic services but to initiate development projects as well. Decentralization also means municipal officials are elected locally, rather than appointed by the central government. Constituents potentially have a greater voice in their communities and more opportunity for self-help. A publication with the event's deliberation is forthcoming \*

# HAVE NEWS TO SHARE?

- ►Send your contribution, including photos, to Editor, at publications@iaf.gov
- ► Would you like this newsletter sent to your inbox? Please go to our Web site to subscribe: www.iaf.gov
- ► E-mail us your comments on the newsletter at publications@iaf.gov

# IAF PRESIDENT SPEAKS FOR U.S. DELEGATION AT OAS MINISTERS' MEETING

Inter-American Foundation President David Valenzuela reaffirmed the United States' endorsement of decentralization in the hemisphere when he addressed the Organization of American States' Meeting of Ministers and High Level Officials on Decentralization, Local Government and Citizen Participation, July 30 in La Paz, Bolivia.

The meeting, attended by representatives from 20 nations and numerous organizations, took place in the context of hemisphere-wide decentralization initiatives. Speaking as head of the U.S. delegation, Valenzuela emphasized the possibility of increased development at the grassroots level through partnerships involving local government, nongovernmental organizations and the business sector. He urged central governments to empower municipalities with sufficient resources and administrative authority. •

### IAF UNVEILS NEW WEB SITE



IAF worked with Batiz.com, a Web design company, to develop IAF's new Web site that will be launched in January. The updated site will provide access to all IAF publications in HTML and PDF formats, instruction for grant applicants, news releases, e-bulletins and more. If your organization has a Web site, please e-mail us at <a href="mailto:info@iaf.gov">info@iaf.gov</a> so we can link together. Visit the IAF's Web site at <a href="www.iaf.gov/">www.iaf.gov/</a>. \*

#### IAF STUDIES

#### LOCAL DEVELOPMENT AND SOCIAL MANAGEMENT

Chile's Corporación de Estudios Sociales y Educación, SUR, and Uruguay's Centro Latinoamericano de Economía Humana, CLAEH, will study local economic development and social management programs for local leaders. The study will document best practice experiences in local development in Uruguay and Chile. The results will be presented in two seminars, two teaching workshops and one national conference on decentralization in Arequipa, Peru. A publication will be disseminated among a wider audience.

#### CITIZENS AND PUBLIC DELIBERATION

The IAF, in conjunction with the Kettering Foundation and the Council on Public Policy Education, is funding through the Inter-American Democracy Network (IADN) a study of how 10 Latin American communities motivate their citizens to make decisions on economic and community development choices in deliberative settings. Outcomes of the study include a) how communities identify public issues; b) how the different issues are framed; c) how issues are deliberated in public forums; and d) how citizen deliberation is transformed into action plans that are implemented. The results will be widely distributed and discussed among the collaborating organizations, donors and the international development community.

#### SUSTAINABILITY

The IAF has commissioned a study of how its grassroots projects in Latin America and the Caribbean encourage a long-term development process by strengthening problem-solving skills, by offering the opportunity to learn from experience, and by building the confidence of organized people in their own capabilities. The goal is to define this "sustainability" and to analyze its elements: economic, organizational, context, and technical. A publication will be available. •

### ALSO HOT OFF THE PRESS

- ► Volume 22 of *Grassroots* Development is now available in Spanish.
- ►IAF's annual report for fiscal 2000 is also out in both English and Spanish.
- ► All publications can be accessed in electronic versions at <a href="www.iaf.gov">www.iaf.gov</a>; for a printed copy, e-mail <a href="publications@iaf.gov">publications@iaf.gov</a>. ❖

# ▶ Approaches to Increasing the Productive Value of Remittances: Case Studies in Financial Innovations and International Cooperative Community Ventures

Publication coordination by Carlo Dade

Remittances, earnings sent back to countries of origin by international migrant workers, are perhaps the most durable and basic form of development assistance. In Latin America and the Caribbean, the explosion in migration to the United States that took place in the 1980s and 1990s dramatically accelerated the increase in remittances at the same time that levels of official development assistance to the region were declining. The conflux of these two factors has made remittances of critical interest to the development community.

Yet, we know little about the potential use of remittances for development. What we do know is that the flow of remittances is enormous; they account for a sizeable portion of national income; and they are used primarily for consumption and as a safety net. The volume of the capital flow is incredible: billions of dollars to Mexico, more than \$1 billion to El Salvador, close to \$1 billion to the Dominican Republic. Fixating on the numbers often leads linearly to the assumption that large flows equal large sums available for development. In reality, poor people send remittances to poorer people primarily for immediate and pressing needs.

In March the IAF was joined by other development agencies at a conference to explore this topic. Other sponsors were the Washington Office of the United Nations Economic Commission on Latin America and the Caribbean and the Private Sector Development Group in the Latin American Region of the World Bank.

The conference presentations in this publication represent a range of views from various actors, including the IAF's approach: Remittances are money earned by and for the poor. Therefore it is imperative that the poor set the agenda and choose the priorities for how this money will be used. Innovations and ideas from those who struggle daily, balanced with analysis and research by those who study these problems, produces results.

To view this publication in electronic form, log onto <a href="www.iaf.gov">www.iaf.gov</a>; for a printed copy e-mail <a href="publications@iaf.gov">publications@iaf.gov</a>. <a href="publications@iaf.gov">ф</a>

#### CALL FOR MANUSCRIPTS

The IAF publishes articles on topics in development in our journal *Grassroots Development*. We welcome your queries regarding the following types of submissions in English, Spanish, Portuguese or French for our consideration:

- features between 2,500 and 5,000 words;
- book reviews from 600 to 1,000 words;
- news items from 300 to 600 words.

Shorter pieces will also be considered. Electronic format is preferred; hard copies cannot be returned. Photos are publishable from prints only. For more information, please contact the editor by e-mail: publications@iaf.gov. •

#### CALENDAR OF EVENTS



Date: March 2002

Venue: Buenos Aires, Argentina

**Event:** Harvard Business School and IAF team up to discuss the range of models available to corporations seeking to address poverty reduction. Later in the year, follow-up conferences and workshops are scheduled on specific models.

Date: April 2002 Venue: Arequipa, Peru

Event: "Corporations, Decentralization and Local Development," a conference sponsored by the municipality of Arequipa with support from the IAF and the Centro de Estudios de Desarrollo Regional (CEDER), will discuss specific models and practices applied around the world to bring about decentralization. Special sessions will deal with the role of corporations in poverty reduction.

Date: September 2002

Location: Rio de Janeiro, Brazil

**Venue:** This conference provides additional follow-up to the Buenos Aires conference on issues, options and methodologies of interest to corporations and corporate foundations seeking to establish development funds responsive to community organizations whose members are poor people. ❖

#### NEW FACES IN THE FIELD







The IAF has contracted three new data verifiers to serve its grantees in Honduras, Guatemala and Haiti. They will be responsible for training new IAF grantees in the use of the Grassroots Development Framework (GDF), the IAF's principal data collection instrument, and will visit grantee partners and beneficiaries to verify project results.

Honduras: In August, Fabiola Palma Caballero was selected for the position of data verifier in Honduras. She is currently pursuing a Master's in Business Administration at the Universidad Católica. Within the next six months, Fabiola will be visiting each of the 14 IAF grantees and beneficiaries in Honduras.

Guatemala: Also in August, Hugo Us Alvarez was selected for the position of data verifier in Guatemala. He holds a B.A. in economics from the Universidad Francisco Marroquín where he teaches microeconomics. In addition to Spanish, Hugo speaks K'iche, one of Guatemala's indigenous languages, and for the past 18 months he has been working as a researcher on ethnic relations in his country.

Haiti: In October, Aurémil R. Maëns was selected for the position of data verifier in Haiti. Aurémil is fluent in Spanish, French and Creole, his native language. He obtained his degree from the Universidad Nacional Pedro Henríquez Ureña in the Dominican Republic. In his new role, Aurémil will be assisting grantees with data collection issues and interviewing grant beneficiaries. \*

#### NEW FACES AT HEADQUARTERS

Marieannette Otero has recently joined IAF as Program Staff Assistant for Guatemala and Nicaragua. She has a B.A. in Spanish and Portuguese, with a minor in government and politics, from the University of Maryland and is interested in Puerto Rican literature.

Katherine Bird is a new IAF Program Staff Assistant for Brazil and Colombia. She has a B.A. in international relations from Florida International University in Miami. She has been a consultant for the UNDP and UNICEF in Rwanda and a paralegal in Washington, D.C., and Miami where she worked in immigration law. �

#### IN MEMORY



**Tyrone Broadus**, a Foundation employee for more than 10 years, passed away in late October. We remember Tyrone as a gracious colleague, thoughtful and kind to everyone as he went about his work. He and his family are in our thoughts and prayers. •

#### IAF HOSTS LODGE

George C. Lodge, Harvard Business School professor emeritus and vice-chairman of the Inter-American Foundation's first board of directors, was guest of honor at a reception held by IAF at the annual Business for Social Responsibility (BSR) Conference in Seattle, Washington. Lodge opened the event with a compelling talk on the importance of business in reducing world poverty. More than 50 guests attended, representing Latin American businesses as well as the U.S. Environmental Protection Agency, Newmont Mining, Chiquita Brands International, Proctor & Gamble and the United Nations' NetAid. ❖

#### BRAZILIAN NGO DENOUNCES TERRORIST ATTACKS

In reaction to the violence of September 11, Viva Rio (BR-798), a IAF grantee has launched a Web campaign aimed at mobilizing Brazilians to e-mail world leaders and to petition for action against terrorism. It receives support from the private sector, religious communities and local governments for this project. For more information, log onto <a href="https://www.bastadeterror.com.br">www.bastadeterror.com.br</a>. \*

### AFTER 9/11: SHOCK, SYMPATHY AND SOLIDARITY

Following the horrific events of September 11, the Foundation was inundated with e-mailed messages, letters and telephone calls from all over the world. We would like to thank all of you who contacted us during the confused aftermath of that terrible tragedy. Fortunately, no one in our family at the Foundation was in harm's way. The expressions of shock, sympathy and solidarity we received confirmed our belief that people everywhere join us in rejecting violence and valuing peace, justice and respect for human life as goals well worth working to achieve. Letters will be published in the next issue of *Grassroots Development*. •

IAF was created by Congress in 1969 to provide assistance to the poor in Latin America and the Caribbean. Since 1971, it has funded more than 4,300 self-help projects throughout the region, many of them partnerships that include local and multi-national businesses as well as municipalities, non-governmental organizations and universities.